

*American Industrial & Marine  
Electronics, Incorporated*

P.O. BOX 715 · DOVER, DELAWARE 19901 · (302) 678-3657

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Comments on PR Docket No 93-144

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January 4, 1995

Federal Communications Commission  
Office of the Secretary  
Washington, D.C. 20554

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Gentlemen:

Re: PR Docket No. 93-144

I am a small SMR operator in the state of Delaware. I presently operate 10 channels in the upper 200 channel blocks (WNCX329). I have been licensed since 1985 and have been in the two-way radio business since 1978 offering both sales and service. I have loaded these channels and use them to provide communication service to commercial businesses and public safety. I have built a successful business around my channels and had hoped to expand my coverage area to serve the expanding needs of my customers. When the 40-mile rule was in effect one site had to be loaded before an application for another site less than 40 miles away could be made. In the past growth was required in one area before expansion could be made in another area. By the time I was legally eligible to expand, no channels were available due to the waivers for wide area coverage by Dispatch Communications a Nextel company. This has put me at a disadvantage because they now own most of the 800MHZ spectrum in my area. They are also a direct competitor because they provide conventional SMR dispatch and interconnect service. We have been short spaced by them in all directions using less restrictive interference criteria than is now allowed. Now that they own most of the spectrum, they are petitioning the FCC to further restrict us.

The small SMR operator has recently been given several burdens. Auctions may make new radio spectrum too expensive for small operators. The recent freeze on SMR applications has put a serious burden on small businesses that have invested time and money in expansion plans. The lead time even before the freeze made planning very difficult. It is very expensive if not impossible to hold a lease option on tower space for periods of over a year. Making small SMRs face common carrier regulation further adds to the burden. The small SMR should be encouraged, not legislated out of business. They are the ones that will keep the big operators in line by providing competition. They will offer an alternative to the ESMRs whose primary goal is to provide telephone interconnect service. The service my company

currently provides as an 800Mhz SMR is very important. For example, it provides communications for all our county agencies. It also provides a radio for the 911 center at no cost so all county vehicles equipped with radios have a direct connection in case of an emergency. This has proved life saving in several instances. It provides communications to local businesses both large and small at a fraction of the cost of cellular phones. Most businesses operate in a fixed geographical area and do not require the wide area dispatch service that ESMRs are proposing to provide.

I am not against change, and I realize that new technology does require change. I do believe that major change for the whole industry should not be made because of the needs of one or a few companies. Nextel argued that it needs contiguous channels. That might be true for the present technology to work, but why bend the rules to meet technology? Make technology meet the rules. Isn't necessity the mother of invention? Technology is much more flexible than radio spectrum. I think it is counter productive to auction spectrum blocks that will not benefit anyone but the companies that hold the spectrum now. The average person or company cannot benefit from winning a block of spectrum in an MTA. If channels are not presently owned, owning an MTA block is almost useless. The only one to benefit is the company that currently owns most of the spectrum.

I might be overlooking something, but why would such a company want to bid big money for something it could win by default? I know that congress mandated auctions, but 800MHZ SMR is a mature industry. There are little or no channels that are not already assigned. To auction MTA blocks in an infant industry would make sense; in this industry it appears to be more a scheme for enriching the federal government at the expense of the public and the majority of SMR operators.

If 4 MTA blocks are inevitable, incumbents should be protected. There should be no mandatory relocation. They should have full rights to renew, modify, and transfer their license. Some fixed-radius protected service area for existing licensees should be provided within which they would be able to modify their systems. Short spacing of incumbents by MTA block holders should not be allowed. Incumbents should be able to use secondary sites on a non interference basis for null fill within their service area. The FCC should not get involved in negotiations between upper channel incumbents and MTA block holders. If an MTA block holder wants an incumbent's channels, let market forces determine what they are worth.

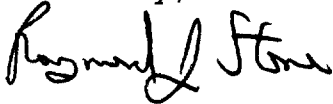
In regards to setting aside channels for conventional SMR, some safeguard should be set up to keep speculators away. Channels over the last few years have been treated as a commodity more than a means to provide communications service to people who need it. In my area, and I'm sure in most other areas, if you monitor SMR channels, you would find many inactive. Yet, all the channels are assigned. This makes it very difficult to provide the

service that these channels were originally intended for. In order to apply for conventional SMR channels in the future, I think that any applicant or bidder should prove to the commission that he or she has been in the two-way radio business for a specified time. This business should be required to have a store front, service vehicles, technicians, and sales people.

Wide area licensees who have received waivers should be allowed to build. However, the channels that are not built before their five years are up should be returned. This should be strictly policed by no notice on site inspections. Where some of these waivers included short spacing closer than is allowed today, the licensee should be required not to cause interference to a short spaced incumbent station. If any of the "short spaced " channels are given up or revert to another MTA block holder, standard interference protection to existing stations should apply.

In light of recent happenings such as the tremendous devaluation of NEXTEL and other wireless company stock, and recent unfavorable reports in trade and business periodicals, I would like to ask that you take another hard look at your proposals. If these third cellular companies fail, please make the rules flexible enough that they don't take the rest of the SMR industry with them.

Sincerely,

A handwritten signature in cursive script, appearing to read "Raymond J. Stone".

Raymond J. Stone  
President